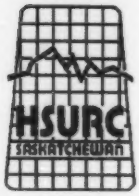


HEALTH SERVICES UTILIZATION AND RESEARCH COMMISSION

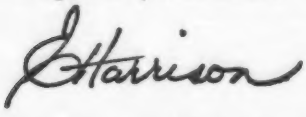
Annual Report
1999-2000

The Honourable Pat Atkinson
Minister of Health
Legislative Assembly
Regina SK S4S 0B3

Dear Ms. Atkinson:

I am pleased to submit, for your consideration, the annual report of the Health Services Utilization and Research Commission for the fiscal period April 1, 1999 - March 31, 2000.

Respectfully submitted,



E.L. Harrison, PhD, MSc, BPT
Chair

101-04717/

Health Services Utilization and Research Commission

The mission of the Health Services Utilization and Research Commission is to promote the wellness of the people of Saskatchewan by fostering the efficient and effective utilization of health services and by stimulating, funding, and promoting research in the healing arts and health sciences.

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Statement from the Chair

Last year was a time of change at HSURC. Laurie Thompson, a senior researcher with the Commission since its inception in 1992, took over as chief executive officer in July. Five new faces joined our ranks, the result of staff turnover and launch of HSURC's new research transfer unit. The past year marked a change too, in the way we disseminate and encourage implementation of our research findings. Our board took time this year to review its current and future governance. We will continue to review our internal structures and operations over the coming year, to ensure HSURC is prepared for the future.

In response to our external accreditation review, we began to more systematically engage our key constituents in defining future research projects. A broad consultation process was put in place this past year and besides helping us identify provincial research priorities, we believe the process has improved the community's awareness of HSURC and provided an opportunity for building partnerships. Over the next four years, we will focus our utilization research on four main themes:

- improving health system effectiveness;
- improving clinical effectiveness;
- helping to improve health human resource morale and organization; and
- supporting the development of long-term health policy.

During this last year, HSURC also reflected on its responsibility to continually update and evaluate programs and research. To that end, we have developed a process for reviewing our clinical practical guidelines and have begun building an evaluation component into each of our research projects.

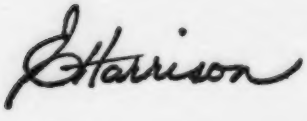
We injected the first evidence into a long-standing debate on the role of small hospitals with the release in September of our major study on the impact of 1993 funding cuts to rural Saskatchewan hospitals. Among our main findings was that residents of those communities whose hospitals lost their acute care funding experienced the largest drop in death rates between 1990 and 1996.

We took the main messages from our small hospital study on the road during fall 1999 as part of our increased outreach activity. A research transfer officer from HSURC made contact with the boards and CEOs of 26 of the province's health districts, through presentations at eight zone meetings hosted by the Saskatchewan Association of Health Organizations.

The Commission continued to advocate for improved research funding on behalf of the province's health researchers. One valuable product of our collaboration with key partners such as the universities has been the creation of an important new position to coordinate health research. A key role of the Coordinator of Health Research will be to ensure that provincial researchers are best positioned to capture the new funding available through the Canadian Institutes of Health Research (CIHR). Our investment in research through initiatives such as this is another step in renewing the health research community in Saskatchewan.

We marked our 20th anniversary of providing research support for health research in Saskatchewan with a research day and dinner in late October 1999. The celebration event, entitled "20/20: Vision for Health Research—Celebrating 20 Years of Health Research Support and Looking Beyond," provided an opportunity to recognize achievements of the past two decades and contemplate the future.

The coming year promises to be exciting, with the second of our studies on the cost-effectiveness of preventive home care services slated for release in early summer. We will explore new ways to nurture the uptake of evidence in policy and practice. And we will continue to work with the universities, to ensure new opportunities resulting from changes in the Canadian research funding environment help bolster our research capacity here at home.



E.L. Harrison, PhD, MSc, BPT
Chair, HSURC

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General Information

Legislative authority and mandate

The Health Services Utilization and Research Commission is an arm's-length, government-funded agency with a dual mandate: to assess Saskatchewan's health system and recommend evidence-based changes, and function as the provincial health research granting agency. It was established by the province through an order-in-council in February 1992. HSURC now has its own provincial legislation, *The Health Services Utilization and Research Commission Act*, which received royal assent from Saskatchewan's lieutenant-governor on June 2, 1994.

Our legislation empowers us to do utilization research in addition to carrying on the granting agency mandate inherited from the Saskatchewan Health Research Board. Specifically, we are directed to:

- study the factors affecting the health of individuals or groups;
- study the factors affecting the use of health services and health services resources;
- study the effectiveness of health procedures, practices, and technologies;
- identify practical means to better utilize health services and health services resources;
- report to the Minister results of our studies and research, and make recommendations to the Minister based on studies and research;
- study matters respecting health services referred to us by the Minister;
- inform Saskatchewan residents and providers of health services of our study findings, or research funded by the Commission;
- provide reports, research, and consulting services to any person, agency, or body; and,
- fund and otherwise stimulate in Saskatchewan, studies of and research in the basic and clinical health sciences and the health-related social sciences pertaining to human health status.

Structure

Under the HSURC Act, the chair and vice-chair are designated by the lieutenant-governor.

Commission members may hold office for up to three years per term. They are eligible to be reappointed but for not more than two consecutive terms.

At least two commissioners must be faculty of the University of Saskatchewan, and at least one must be faculty of the University of Regina.

Appendix 1 lists the board members who served during 1999-2000.

Staff

As of March 31, 2000, the HSURC core staff comprised:

Laurie Thompson, Chief Executive Officer
Greg Basky, Communications Manager
Maureen Bingham, Research Transfer Officer
June Bold, Director of Grants and Awards
Bonnie Brossart, Senior Research Officer
Kelly Chessie, Research Officer
Dianne Ferguson, Research Transfer Officer
Laurie Gander, Research Officer
Joanne Hader, Senior Research Officer
Liyan Liu, Research Officer
Heather MacDonald, Research Officer
Maria Mathews, Research Officer
Barb Nisbet, Office Manager
Sherry Wailing, Accounting Clerk
Val Ziegler, Administrative Support

Utilization Research

How we conduct research

For each study, the Commission establishes a working group of stakeholders that is chaired by a board member. Our goal is to assemble multi-disciplinary, representative panels to guide projects. Group composition is determined largely by the study topic. Specialists, general practitioners, nurses, administrators, and representatives of other health occupations and the public have participated on our working groups.

For most studies, the working group chair and HSURC staff draft terms of reference. This information is presented to the group for review and revision at its first meeting, along with a review of the health sciences literature and any data that have been collected.

Working group members generate study questions and hypotheses, advise the Commission on data collection and analysis, guide the work of research staff, review drafts, and develop recommendations. Appendix 2 lists working group members for HSURC studies.

Projects completed in 1999-2000

Promoting optimal drug prescribing

In June 1999 we released our report on promoting optimal drug prescribing in Saskatchewan. An advisory panel of stakeholders struck by HSURC concluded that an education program for health professionals and computerized record-keeping and monitoring would improve drug-prescribing in the province and ensure patients are gaining maximum benefit from prescription drugs.

The study group developed its recommendations after reviewing the evidence on drug-prescribing issues and solutions and Saskatchewan drug data. Panel members identified use of antibiotics in the general population and of psychotropics and non-steroidal anti-inflammatory drugs (NSAIDs) in the elderly as priority areas around which to develop strategies for improving prescribing.

Among the education recommendations were the

province-wide expansion of an academic detailing program successfully piloted in Saskatoon, and distribution of guidelines on prescribing specific drugs and delivery of special training for prescribers working in long-term care facilities.

The panel also recommended Saskatchewan's health system take advantage of information technology to provide prescribers with feedback on their prescribing patterns and monitor prescribing in long-term care facilities. Similarly, it recommended that the developing Saskatchewan Health Information Network include drug data, so prescibers have on-line access to patients' prescription records.

Hospital utilization project

Saskatchewan's health care system has undergone major changes since 1990. Key features of these reforms have included the integration of services in rural areas under district health boards and restructuring of acute hospital services. In 1993, 52 small rural hospitals stopped receiving funding for acute care. Most were subsequently converted to health centres. Since then, concerns have been raised about the impact of the changes on rural residents' access to care, their health status, and the viability of rural communities. To assess the impact of hospital closures on the affected communities, we conducted a multi-faceted, province-wide study. We looked at hospital use patterns, health status, rural residents' perceptions of the impact of these hospital closures, and how communities responded to the changes.

In the summary report, *Assessing the impact of the 1993 acute care funding cuts to rural Saskatchewan hospitals,* we found the acute care funding cuts did not adversely affect rural residents' health status or their access to inpatient hospital services. Despite widespread fears that health status would decline, residents in these communities reported that hospital closures did not adversely affect their own health. Although some communities continue to struggle with changes to health care delivery, others appear to have adapted as a result of strong community leadership, the development of widely accepted alternative services, and local support for creating innovative solutions.

We concluded good rural health care does not depend on the presence of a very small hospital that cannot, in today's environment, provide genuine acute care. It requires creative approaches to the provision of primary care, good emergency services, and good communication with the public on the intent and outcomes of change.

Current projects

An evaluation of preventive home care and seniors housing on health outcomes

Based on district consultations held in 1995, HSURC elected to study the cost-effectiveness of three types of home care: first, as a substitute for hospital care; second, as a preventive service aimed at reducing long-term service use; and third, as a substitute for nursing home care. We are currently wrapping up work on this second study, which included a simultaneous exploration of senior social housing. Using provincial databases, we evaluated the effectiveness of these two supportive services, to see whether seniors who receive these services live longer, live independently longer, and have lower health costs than seniors not using these services. We plan to release our study results in May of 2000. This study is supported in part by a grant from Health Canada's Health Transition Fund.

Emergency services: Best practices

The goal of the emergency services project is to identify how health districts can best deliver emergency medical services to rural Saskatchewan. This past year we completed examination of the feasibility of using electronically collected ambulance data to (1) evaluate the system or (2) conduct EMS research. Using data from two emergency service providers we found the current data are reliable and valid and concluded they could be used for research and/or evaluation.

Health human resources

This past year HSURC entered into a unique collaborative relationship with Allen Backman, a professor in the College of Commerce at the University of Saskatchewan. We joined forces with Health Workplace Opportunities, Resources and Challenges for Saskatchewan (WORCS) to examine issues around recruitment and retention of health professionals in Saskatchewan.

Under contract with Backman, we conducted 27 focus groups with front-line health care providers in nine health districts. Information from our focus groups was combined with data Backman collected in interviews with health districts managers, unions and professional associations.

Evaluation of HSURC clinical practice guidelines

With funding from the Medical Research Council of Canada, this project aims to evaluate the impact of eight HSURC clinical practice guidelines. The goal of evaluating our guidelines is to find out if these evidence-based decision making tools have an effect on actual

physician practice. We plan to measure this by linking physician attitudinal survey questions with actual utilization data.

In fiscal year 1999-2000, the second of three funded years for this project, the project went into high gear. We undertook a large number of specific data collection and analysis tasks. In the spring and summer we analyzed data from interviews conducted with physicians. We used this information to identify survey questions. In the fall and winter of 1999, we sent out a mail survey to 606 physicians in Saskatchewan asking them for their opinions on guidelines in general as well as specific information on their use of HSURC guidelines. We were successful in achieving greater than a 60% response rate with the mail survey. While the survey was in development and in the field, we completed our collection of utilization data from Saskatchewan hospitals and five other Canadian provinces. We also made our requests for data to Saskatchewan Health.

Once we have assembled all the data, we will complete the analysis and linking. Our goal is to disseminate the study findings through peer-reviewed publications in early 2001.

Clinical practice guidelines update

In February 1999, the Board approved a policy for updating the clinical practice guidelines (CPGs) developed by HSURC. The purpose of updating these guidelines is to ensure that physicians and other health professionals have access to the most current information on best practices.

In the years since 1992, guidelines have been developed for thyroid function testing, use of routine electrocardiograms, cholesterol testing and treatment, Prostate Specific Antigen (PSA) testing, routine and selective use of prenatal ultrasound, cervical cancer screening and selective use of chest radiography.

A manual for CPG update methods was written, outlining a strategy for systematic review of current evidence and external review by experts in the field. Reviews were completed for use of routine electrocardiograms and PSA testing. In the coming year, we will complete reviews for the remaining guidelines.

Mental health

This pilot study is being conducted in conjunction with three Saskatchewan health districts: Prince Albert, Saskatoon, and East Central. We are exploring the use of psychiatric hospitals, the role various factors play in contributing to variation in the length of hospital stay, and the relationship between length of stay and subsequent community service use. We enrolled consenting patients admitted to

psychiatric hospitals, and assessed their:

- acuity of hospitalization;
- clinical status on admission, discharge, and follow-up;
- individual, treatment, and environmental factors associated with varying lengths of stay; and
- referral to, and subsequent use of, community services after hospital discharge.

We then linked this information to Saskatchewan Health administrative data on readmissions and previous hospitalization. We intend to release our results in autumn 2000.

System Performance Indicators

In these times of rising health care costs and limited funding, health systems around the world are seeking objective evidence that services are being provided effectively and efficiently, while at the same time maintaining and enhancing quality of care. Performance indicators are the current generation of efforts to improve and reshape health systems.

This past year, we looked beyond Saskatchewan and Canada to study trends and literature in the development of health system performance indicators around the world. We plan to share what we have learned through our Issues and Directions Paper series. We hope this discussion document will serve as a launching point for health system decision makers on this most timely and important topic.

Communications

Our newsletter, *A Closer Look*, continues to serve as HSURC's flagship publication for keeping stakeholders up-to-date on both sides of our mandate. The eight-page quarterly, which goes to all health professionals and managers in Saskatchewan, has a circulation of about 18,000.

The list of satisfied subscribers to our Daily News Digest continued to grow this year. Over the past 12 months more than 500 people signed on to receive this electronic health news service, which provides e-links to health and research information in Canada's daily newspapers and the major medical journals.

Not surprisingly, the September 1999 release of our controversial study on the impact of 1993 funding cuts to rural Saskatchewan hospitals generated considerable public and media interest. While a leak of our final report to the *Globe and Mail* forced us to fast-track our official announcement, the initial round of news coverage was balanced and accurate. Follow-up analysis by local political columnists provided us with many opportunities to restate key messages and clarify misunderstandings about our methods and findings.

Our unsuccessful bid for funding through a communications infrastructure competition, sponsored by the Canadian Health Services Research Foundation (CHSRF), planted the seed for us to begin planning redevelopment of HSURC's web presence. We will be working with an outside firm to create a site that becomes stakeholders' top-of-mind resource for policy- and practice-related evidence, and that serves as the hub of all Commission communications products and initiatives.

Research transfer

In response to the external review of HSURC, two research transfer officers, Maureen Bingham and Dianne Ferguson, commenced employment in October 1999.

As research transfer is a new field in the research community and in the health care system, we spent time reviewing the literature to determine how to best develop the research transfer capacity at HSURC. The initial months focused on planning and developing a research transfer work plan.

We expanded the existing environmental scanning process at HSURC to follow the life cycle of the research projects. All staff continue to contribute to the scanning of the health care environment, provincially and nationally.

The exchange of information between researchers and decision makers is key to effective research transfer. We spent time meeting stakeholders, giving presentations, and attending existing fora in order to begin the process of developing communication crosswalks. Building interpersonal relationships throughout the health care system is one way to maintain sustained interactivity with stakeholders.

The District Utilization Coordinator (DUC) meetings, held three times each year, provide an opportunity for us to build research capacity in the health districts. HSURC staff, guest speakers and members of the DUC group share current research, innovative ideas and health services utilization tools to support evidence-based decision making.

HEALNet Regional Health Planning

HEALNet Regional Health Planning becomes the regionalization research centre

This was the fourth year of HSURC's participation in the national Network of Centres of Excellence (NCE) research program called HEALNet (Health Evidence and Application Linkage Network). The NCE program is a partnership among Canadian universities, Industry Canada and the federal research granting councils.

Headquartered at McMaster University, the project has components across Canada.

The Network receives core funding from the Canadian Institutes of Health Research (formerly the Medical Research Council of Canada) and the Social Sciences and Humanities Research Council. In 1995, HEALNet received an initial 3.5-year grant to embark on a project to identify methods and instruments to assist evidence-based decision making in health. In 1998, HEALNet developed a renewed strategic plan and its membership in the NCE program was extended, with funding confirmed to 2002.

In 1999-2000, the HSURC-based program, formerly called the Regional Health Planning theme, evolved into a national centre for research on regionalization, with a focus on regional health authorities (RHAs). Its goals are to promote the study of regionalization as an innovation, as well as provide an avenue for Canadian RHAs to meet their research needs in relevant and helpful ways.

Denise Kouri is the director of the Centre. Steven Lewis, former CEO of HSURC and HEALNet theme leader, is on the Centre's advisory board and is a principal investigator. Other researchers on the Centre's advisory board include: Pierre-Gerlier Forest, University of Laval; Julia Abelson, McMaster University Centre for Health Economics and Policy Analysis; Harley Dickinson, University of Saskatchewan; John Lavis, McMaster University Centre of Health Economics and Policy Analysis and Institute for Work and Health; Carole Estabrooks, University of Alberta; and Jean-Louis Denis, University of Montreal. Centre personnel, in addition to the director, include researcher Lynda Lee and secretary Barbara Crockford.

The Centre's intention is that its research program be owned by and developed as much as possible with decision-makers themselves. The Centre operates on the principle that decision makers will find research to be most helpful, and researchers will be most responsive to the needs of decision makers, particularly when both groups are involved in formulating questions and setting priorities.

Because there are a number of different ways in which decision-makers can participate, the researchers' first step in late 1999 was to survey board chairs and chief executive officers of RHAs, as well as other health care policy makers and planners across Canada, about their research needs and interests and how they might participate in the Centre.

Regionalization is the most significant national innovation and experiment in health since the introduction of Medicare. Yet questions about how effective the changes have been and about how to

improve effectiveness under regionalization remain largely unanswered, especially at a national level. The Centre would study how regionalization has taken place in the various Canadian jurisdictions, act as a clearinghouse and resource centre for information on regional health developments and innovations, and provide educational opportunities for practitioners, students, and others. The Centre would also carry out research on topics of interest to RHAs, including effective decision making, public participation and population health strategies. These topics were the priorities established in the RHA needs assessment.

In carrying out the needs assessment, the Centre created a database of RHAs. The database has become a resource for other projects. In 1999-2000, researchers associated with the Regionalization Research Centre carried out several related studies. For example, researchers at McMaster evaluated RHA approaches to obtaining public input for decision making. A collaboration between researchers in Saskatoon and McMaster examined the effect of "framing" (how a problem is posed) on resource allocation decisions in RHAs.

The Centre was successful in obtaining a grant from the Canadian Health Services Research Foundation to create a website and supply an interactive infrastructure for its RHA-researcher network and resource centre. The interactive resource centre will include the Centre's educational materials. One of the Centre's activities is professional education. Researchers disseminate publications, make presentations and present workshops. For example, in May 1999 the Centre prepared and published an English-language summary of a larger French-language analysis of Canadian regionalization, prepared by University of Montreal researchers, and disseminated the summary to all Canadian RHAs. In June 1999, Denise Kouri presented a one-day workshop on decision making to the board of the Saskatchewan Registered Nurses' Association. In December 1999, the Centre published an occasional paper about researcher-decision maker partnerships, based on work in its first phase. A fourth occasional paper was published in February 2000 on resource allocation in the health care sector.

Research Funding

Overview

The Commission's research-funding mandate encompasses two broad areas of activity. One is offering financial support for health research done in universities and other agencies in Saskatchewan. We do this mainly through annual research funding competitions. The other is stimulating and promoting health research within the province. We do this through various initiatives, often in partnership with other key players in the health and university environments. Our current initiatives are described later in this section.

This year, HSURC committed $1.3-million to our grants and awards program (see Table 1), $100,000 to a partnership supporting a health research co-ordinator, $100,000 to the Saskatchewan-Medical Research Council Regional Partnership Program (RPP), and $250,000 to a fund for the Saskatchewan Population Health and Evaluation Research Unit (SPHERU). In addition, we managed $900,000 in other provincial funds, including another $250,000 for SPHERU from Saskatchewan Health and $650,000 for the RPP from Saskatchewan Health and Saskatchewan Economic and Co-operative Development. Administrative costs for all these initiatives were just over $100,000.

This was also a milestone year for HSURC, being our 20th anniversary as a health research granting agency, first as the Saskatchewan Health Research Board and later the Commission. During the past two decades, we managed $23-million in health research funding to support just over 600 research projects. The research community, government representatives, and other supporters helped us celebrate this achievement in October with a successful symposium, research-poster session, and dinner honouring award recipients and volunteers.

Competition categories

To achieve maximum benefit from our limited resources, we target our financial support in select areas. HSURC offers individual research grants to help new health researchers establish their careers and to encourage growth in social science health research. We also support advanced research training through our personnel awards. The Commission holds regular annual competitions in these three priority areas, enlisting the advice of research experts to evaluate all applications

(our review process is described below).

The *HSURC Awards Guide*, published annually in December, describes fully all competition categories and related policies, including eligibility criteria and submission requirements. A brochure, the *HSURC Awards Prospectus*, provides a brief overview of our programs and is also published annually.

During the 1999-2000 fiscal year, we invited applications in the following categories:

Biomedical Establishment Grants are intended to help new biomedical researchers establish their research careers in Saskatchewan. Successful applicants receive up to $35,000 per year for a maximum of two years.

Socio-Health Research Grants (Establishment and Operating) are available to researchers in Saskatchewan doing social science research related to health. The grants provide a maximum of $35,000 per year for up to two years.

Socio-Health Research Development Grants help researchers develop the elements essential to the preparation of a subsequent, full-scale health research project. Eligible researchers are those establishing a new research focus. The one-year awards offer a maximum of $5,000.

Research Fellowships:

Postdoctoral Fellowships are available to people with a doctorate degree who want to develop their research skills through a period of independent, full-time investigation, and to equip themselves for a career in health research. The fellowship stipend is $29,590 in year one and $31,540 in year two.

Clinical Research Fellowships are intended for people with professional degrees in a human health area (e.g., medicine, dentistry, and pharmacy) who wish to pursue a career as a clinician researcher (i.e., conduct research while remaining in practice). Funding for the two-year fellowships is based on experience and training, and starts at approximately $30,000 per year.

Establishment Equipment Grants allow new researchers to acquire major equipment essential to establishing their research programs. Only Establishment Grant applicants are eligible to apply for these awards, which offer a maximum of $30,000.

Conference Grants of up to $5,000 are available to support conferences related to the development of health research in Saskatchewan. Eligible conferences cannot be part of a regularly held series.

Review process

All eligible grant and award applications are reviewed by committees of experts from related health disciplines. Each review committee is chaired by a member of the Commission, with other members drawn from the Saskatchewan research and health care community. Review committee members offer their expertise on a volunteer basis for three-year terms and HSURC is extremely grateful to these dedicated individuals. Without them we could not operate our adjudication processes, the foundation of our granting operations. During 1999-2000, we had three review committees: the Biomedical, Socio-Health, and Personnel Awards Review Committees. Committee members are listed in Appendix 3.

Personnel award applications and socio-health development grant applications are assessed solely by HSURC review committees. All research grant applications are also reviewed by two out-of-province experts. These external reviews form an essential part of our review committees' deliberations. Review committees assess applications on the basis of scientific merit and consider each project's importance to the health field. Committee members adjudicate and rank applications and, based on those results, make funding recommendations to the Commission. Final award decisions depend on the Commission's available resources.

Ensuring accountability

We have established a number of mechanisms to ensure the public receives the best possible value for its investment in health research. The Commission assesses all grant applications on the basis of rigorous peer review, strict rules and eligibility criteria, and ethical guidelines. All successful applicants must submit interim and final reports, and HSURC tracks grant recipients' subsequent research successes (e.g., publications and further grant funding). We review our grant programs periodically to ensure they continue to meet our goals for health research development in Saskatchewan. We also monitor research trends and the activities of other provincial and national research funding agencies.

Profile of the twentieth competition (1999-2000)

Table 1 summarizes the 1999-2000 competition, showing the number of applications received, the number recommended for funding by the peer-review committees, and the number actually approved.

Demand for biomedical establishment grants remained relatively steady at 15 applications. We approved nine of these, two of

which included equipment grants, for a total of $659,397. This investment–up slightly from our five-year average–went to support faculty beginning their research careers and studying a wide variety of topics, including osteoporosis, streptococcal disease, lymphoma, oral vaccines, genetics, magnetic resonance imaging, lung disease, hypertension, and brain function.

There were 12 applications in the socio-health area, down considerably from last year and from our five-year average of 17. This drop continues a history of ups and downs in this program and the difficulty we have had in building socio-health research, which has been a designated priority since the mid-1980s. We approved three applications, as recommended by the review committee, for a total of $183,390, including one establishment grant and two operating grants. Topics under study are perception during depression, prevalence and severity of asthma, and adolescent emotional health.

The research fellowship competition continued to be quite strong, with 24 applications. This is similar to last year and to our five-year average of 23. We awarded one new clinical research fellowship, seven new postdoctoral research fellowships, and one third-year renewal. The total investment of $496,575 reflects the five-year average.

In summary, the Commission approved grants totalling just over $1.3-million this year. Appendix 4 lists all successful applicants and their research topics.

Twenty years of achievement

In the late 1970s, health-science faculty, other academic health researchers and their supporters convinced the Saskatchewan government of the importance of investing in health research for the benefit of quality health care. The government established the Saskatchewan Health Research Board in 1979, and its work has been continued by the Commission since 1992. In those two decades, the SHRB and HSURC have managed a $23-million investment in health research, providing support for over 600 researchers and projects, including:

- 220 biomedical establishment, operating, and equipment grants;
- 132 socio-health establishment and operating grants;
- 200 research and student fellowships;
- 27 conference grants;
- 33 venture and development grants; and
- 3 strategic group grants.

This investment has advanced our fundamental knowledge of the human body and its complex mechanism, and the causes and treatment of certain illnesses. Researchers have also studied the social-psychological aspects of illness and many aspects of the health service system. For example, HSURC has supported research in infectious diseases, Alzheimer's and Parkinson's disease, arthritis, lung disease, cancer, exercise and fitness, mental health, reproductive biology, drug-use patterns, stroke treatment and prevention, pain management, sleep disorders, medical imaging, and vaccine development.

To stimulate certain research areas, some special competitions were held over the years. These include targeted funding for radiation, gerontology, and evaluation, and a group grant program designed to build critical research mass. The latter funded three groups, in pharmaco-epidemiology, reproductive biology, and stroke research. It also was instrumental in recruiting several excellent scientists to Saskatchewan, some of whom remain and continue their strong research record here.

These accomplishments would not have been possible without the support and commitment of the approximately 230 researchers and policy-makers who sat on our peer review committees and the 40 individuals who served as board members. We greatly appreciate their thoughtful deliberations and many hours of volunteer time. An anniversary booklet is available listing these dedicated people and the researchers we have supported.

Another function of our research funding work is promoting and stimulating health research in Saskatchewan, which has taken us into various initiatives and partnerships, including the following:

- with other stakeholders, lobbied national agencies to provide a reasonable distribution of funding in all provinces;
- held conferences on evaluation and on aging;
- participated in developing a health research strategy for Saskatchewan;
- advocated on behalf of the health research community for increased provincial government investment in health research;
- initiated the development of the Saskatchewan Population Health and Evaluation Research Unit;
- contributed to the Saskatchewan – MRC Regional Partnership Program, designed to increase national funding in the province; and
- initiated a partnership with the University of Saskatchewan (U of S) to establish a co-ordinator of health research.

We fully recognize the provincial government's tight financial situation since the early 1990s and

appreciate its continued investment in health research during the past two decades. At the same time, however, we are acutely aware that this investment needs to be much larger—a widely accepted goal is the equivalent of one per cent of health-care spending. An increased provincial investment would help our researchers secure more national funding—a fact demonstrated by several other provinces that have invested heavily in health research. Such an increase could reverse the alarming funding decline researchers in this province have experienced over the past decade. The ultimate benefactors will be the people of Saskatchewan through improved health care, a better health system, better capacity to attract and retain highly qualified personnel, and strong support of the education of our health professionals.

Other initiatives

Saskatchewan – Medical Research Council Regional Partnership Program

In May 1999, the MRC and the Saskatchewan government entered into a $10-million agreement for the benefit of health research in Saskatchewan. Over five years, $5-million from the MRC will be matched by $5-million from local sources, including Saskatchewan Health, Saskatchewan Economic and Co-operative Development, and HSURC. This new agreement came shortly after the MRC's decision to improve the matching ratio for its Regional Partnership Program (RPP) to 1:1 (local $:MRC $) from its previous 2:1, making the program much more feasible and attractive for the province.

With this added investment, funding from the federal agency to Saskatchewan is expected to roughly double in the coming years. MRC funding to Saskatchewan in 1998-99 was $2.6 million, representing just one per cent of its overall annual funding—a proportion that has been on a steady decline during the 1990s.

As well as contributing financially, HSURC manages the local funding pool and has a representative on the advisory committee that comprises all funding partners and oversees the program in Saskatchewan. The committee's first task was to establish guidelines for funding. These include priority for faculty salary awards and operating grants for researchers who do not already have MRC funding. The committee will also evaluate the impact of the program.

To be eligible for RPP, applications must be adjudicated in the MRC's usual peer-review process and must meet standards of scientific excellence. Proposals that are considered fundable by MRC but not funded due to financial limitations are referred to RPP. In 1999-2000, the Sask – MRC RPP supported 12 awards, including three faculty salary awards, seven operating

grants, and two small equipment grants, for a total of $1.5-million over five years.

This additional activity and spending will benefit Saskatchewan's health research environment substantially. Already, it has meant renewed hope within the province's health research community that the long-time downward funding slide can be reversed. As the MRC evolves into the CIHR, hope remains high that the RPP will continue and be expanded.

University Co-ordinator of Health Research

In a move designed to increase Saskatchewan health researchers' participation and success in national funding competitions, HSURC and the U of S agreed to fund a new research advisory position, the University Co-ordinator of Health Research. In a five-year agreement, HSURC provides $100,000 annually and the U of S provides $50,000 annually plus office space and clerical support.

The co-ordinator will report directly to the Vice-President Research, U of S, and will play a leadership role in revitalizing the health research community. The role includes: informing researchers of funding opportunities; encouraging applications; promoting collaborations among researchers from a broad range of health-related areas; working with the University of Regina (U of R) to share information about health research funding opportunities and help foster collaboration on that campus and with other researchers; lobbying the provincial and federal governments to ensure adequate support for health research in Saskatchewan; and playing a lead role in Saskatchewan's response to initiatives of the new CIHR.

A national search is underway and the new co-ordinator is expected to be in place by the 2000-01 academic year.

SPHERU

The Commission is one of the partners who fund and govern the Saskatchewan Population Health and Evaluation Research Unit (SPHERU), an initiative that has been developing since 1997-98. Our partners include: Saskatchewan Health, the MRC, the U of S, the U of R, and the Saskatchewan Association of Health Organizations.

This year was a busy one for SPHERU's board, chaired by Dr. Ralph Nilson of the U of R. It oversaw the unit's incorporation under *The Non-profit Corporations Act, 1995*, the approval of bylaws, the completion of memoranda of understanding with each university about operations and with HSURC about cash flow, the hiring of a director, Dr. Ronald Labonte, and

other faculty, and the establishment of offices at each university.

SPHERU is expected to make important contributions to Saskatchewan, as it aims to: create new knowledge and understanding of population health issues; promote the use of the new knowledge in health planning and policy development; and incorporate a population health perspective into the education of health professionals. The faculty and board have begun developing a research framework that will guide the unit's work over the coming years.

Directions for 2000-2001

The advent of the CIHR, with a budget substantially increased from that of the MRC and with new institutes reflecting priorities, will fundamentally change the Canadian health research environment. As a provincial agency, HSURC needs to be cognizant of this new federal presence and ensure that our programs serve Saskatchewan researchers well in fostering success at the federal level. Therefore, in the coming year, we will be asking ourselves and the research community some fundamental questions about how the Commission fulfills its role as a promoter and funder of health research. Based on the outcome of this strategic thinking process, we may need to consider some programming changes. Consulting our Research Funding Advisory Committee and the broader community about these issues will be a key part of the planning process.

Periodic evaluation of our programs and ongoing monitoring of funded projects' progress have long been part of our activities. In the coming year, we will add another evaluation tool to help us assess the longer-term impact of our programs specifically and funded health research in the province more generally. A five-year follow-up survey will ask researchers about subsequent research activity, dissemination of knowledge through publications and other means, benefits for the educational environment, and contributions to health-care improvements and advances in understanding health and illness.

In partnership with others, we will continue the various joint activities described above and will develop new ones. One such possible new initiative is exploring the feasibility of holding a major health policy conference in the province in the near future.

Finally, HSURC is aware that, due to a lack of local matching funds, Saskatchewan researchers have not been able to capitalize on several federal programs that require such local matching. These include programs offered by the Canadian Foundation for Innovation, the Canadian Health Services Research

Foundation, and the new CIHR. Unlike sister agencies in other provinces, HSURC has not had sufficient resources to establish a provincial matching pool for these initiatives. We will be exploring opportunities to address this need: Saskatchewan cannot afford to leave these federal health research dollars on the table.

Table 1
Summary of Eligible Applications Received, Recommended, and Approved
Competition 20 (1999-2000)

Grant Category	Received		Recommended		Approved	
	No.	$	No.	$	No.	$
Biomedical Establishment	15	$977,592	9	$603,553	9	$603,553
Biomedical Equipment	5	205,456	2	55,844	2	55,844
SUBTOTAL	**20**	**$1,183,048**	**11**	**$659,397**	**11**	**$659,397**
Socio-Health Establishment	4	262,178	1	53,558	1	53,558
Socio-Health Research	7	427,554	2	129,832	2	129,832
Socio-Health Development	1	4,995	0	0	0	0
SUBTOTAL	**12**	**$694,727**	**3**	**$183,390**	**3**	**$183,390**
Clinical Research Fellowships	1	93,740	1	93,740	1	93,740
Postdoctoral Fellowships	23	1,323,370	14	828,280	8	402,835
SUBTOTAL	**24**	**$1,417,110**	**15**	**$922,020**	**9**	**$496,575**
Conference Grants	1	5,000	1	5,000	1	5,000
TOTAL	**57**	**$3,299,885**	**30**	**$1,769,807**	**24**	**$1,344,362**

Appendices

Appendix 1
Commissioners April 1/99 - March 31/00

Elizabeth Harrison (Chair)
Director, School of Physical Therapy
University of Saskatchewan
Saskatoon, SK

Jerry Danielson
Family Physician
Prince Albert, SK
(until March 12/00)

Dan de Vlieger
Professor, Dept. of Political Science
University of Regina
Regina, SK

Marianne Hodgson
Managing Consultant
Hodgson Consulting
Regina, SK

Cecile Hunt
Director of Health Services
North Central Health District
Melfort, SK

James Irvine
Medical Health Officer
Northern Health Districts
La Ronge, SK

Barry Maber
Physician Vice-President
Saskatoon District Health
Saskatoon, SK

Robert McCulloch
Associate Vice-President, Academic
University of Regina
Regina, SK

Jean Morrison
CEO
Parkland Health District
Spiritwood, SK

Paul Peloso
Physician
Rheumatology/Immunology
Royal University Hospital
Saskatoon, SK

Appendix 2
Study Working Groups

Promoting Optimal Drug Prescribing
Advisory Panel

Paul Peloso (Chair)
Physician
Rheumatology/Immunology
Royal University Hospital
Saskatoon, SK
HSURC Board Member

Dean Ast
Pharmacist
Regina, SK

Dean Bradley
Community Care Co-ordinator
Saskatchewan Pharmaceutical Association
Regina, SK

Sharon-Lee Chesley
Project Supervisor, Evaluation and Research
Prince Albert Health District

Penelope Davis
Family Physician
Saskatoon, SK

Stewart McMillan
Family Physician
Regina, SK

Jane Richardson
Pharmacist
Saskatoon, SK

Mickey Rostoker
Representative, Saskatchewan Medical Association
Regina, SK

Barbara Shea
Executive Director
Drug Plan and Extended Benefits
Saskatchewan Health
Regina, SK

Sara Whitehead
Medical Health Officer
Northern Inter-Tribal Health Authority
Prince Albert, SK

Hospital Utilization Patterns

Jerry Danielson (Chair)
Family Physician
Prince Albert, SK
HSURC Board Member
(until March 12/00)

Marianne Hodgson
Managing Consultant
Hodgson Consulting
Regina, SK
HSURC Board Member

James Irvine
Medical Health Officer
Northern Health Districts
La Ronge, SK
HSURC Board Member

Murray Knuttila
Dean of Arts
University of Regina
Regina, SK

Bernice MacDougall
Consumer Representative
Regina, SK

Russ MacPherson
Consumer Representative
Outlook, SK

Rose Olfert
Department of Agricultural
Economics
University of Saskatchewan
Saskatoon, SK

Michael Smith
Physician
Lucky Lake, SK

Sandy Weseen
Care Coordinator
Home Care/Community Services
North Central Health District

Home Care

Cecile Hunt (Chair)
Director of Health Services
North Central Health District
HSURC Board Member

Rene Blom
Manager
Prince Albert Housing Authority
Prince Albert, SK

Ethel Harmel
Director of Health Services
Twin Rivers Health District

Stewart McMillan
Family Physician
Regina, SK

Suellen Beatty
CEO and Director of Resident Care
Sherbrooke Community Centre
Saskatoon, SK

Betsy Bury
Consumer
Saskatoon, SK

Bert Linklater
Director, Regina and East Districts
District Management Services
Saskatchewan Health
Regina, SK

Sheila Mulatz
Program Coordinator
Southwest Health District

Susan Neville
Director, Long Term Care
Regina Health District

Chantile Shannon
Manager of Program and Tenant
Services Development
Municipal Housing, Government of
Saskatchewan

Melanie Woods
Care Coordinator
Parkland Care Centre
Melfort, SK

Emergency Services: Best Practices

Jerry Danielson (Chair)
Family Physician
Prince Albert
HSURC Board Member
(until March 12/00)

Jim Cross
Medical Director
Emergency Medical Services
Prince Albert Health District

Murray Goeres
Director of Facilities
Moose Mountain Health District

Barb Krikau
Chair
Gabriel Springs Health Board

Ian Larocque
General Manager
Humboldt Ambulance

Pat McWatters
Director of Utilization and Research
Battlefords Health District

Janet McVicar
Health and Social Development
Meadow Lake Tribal Council

Glen Perchie
Director
Emergency Medical Services
Regina Health District

Appendix 3
Grants and Awards Review Committees

Biomedical Review Committee

Liz Harrison (Chair) (3)
School of Physical Therapy
College of Medicine
University of Saskatchewan
Saskatoon, SK

John Ellis (3)
Dept. of Veterinary Microbiology
Western College of Veterinary Medicine
Saskatoon, SK

Bob Haennel (1)
Faculty of Physical Activities Studies
University of Regina
Regina, SK

Vern Hoeppner (2)
Dept. of Medicine
College of Medicine
University of Saskatchewan
Saskatoon, SK

Suzanne Laferte (1)
Dept. of Biochemistry
College of Medicine
University of Saskatchewan
Saskatoon, SK

Dorothy Middleton (3)
Dept. of Veterinary Pathology
Western College of Veterinary Medicine
Saskatoon, SK

Gillian Muir (3)
Dept. of Veterinary Physiology
Western College of Veterinary Medicine
Saskatoon, SK

Susan Whiting (2)
Division of Nutrition and Dietetics
College of Pharmacy and Nutrition
University of Saskatchewan
Saskatoon, SK

Jerry Yager (1)
Dept. of Pediatrics
College of Medicine
University of Saskatchewan
Saskatoon, SK

Figures in parentheses indicate number of years served, including current competition.

Socio-Health Review Committee

Paul Peloso (Chair) (3)
Division of Rheumatology/
Immunology
Dept. of Medicine
College of Medicine
University of Saskatchewan
Saskatoon, SK

Gordon Asmundson (2)
Clinical Research & Development
Program
Regina Health District
Regina, SK

Glen Beck (3)
Dept. of Economics
College of Arts and Science
University of Saskatchewan
Saskatoon, SK

Nikki Gerrard (3)
Saskatoon Mental Health Clinic
Saskatoon District Health
Saskatoon, SK

Bob Hilsden (1)
Department of Community Health
Sciences
University of Calgary
Calgary, AB

Sandra Kirby (2)
Dept. of Sociology
Faculty of Arts and Science
University of Winnipeg
Winnipeg, MB

Scott Livingstone (2)
Specialized Services
Saskatchewan Health
Regina, SK

Muriel Montbriand (2)
Applied Research Unit
Dept. of Psychiatry
College of Medicine
University of Saskatchewan
Saskatoon, SK

Cory Neudorf (2)
Director of Research
Saskatoon District Health
Saskatoon, SK

Figures in parentheses indicate number of years served, including current competition.

Personnel Awards Review Committee

Dan de Vlieger (Chair) (4)
Dept. of Political Science
Faculty of Arts
University of Regina
Regina, SK

Patricia Blakley (1)
Dept. of Pediatrics
College of Medicine
Saskatoon, SK

Karen Chad (2)
College of Kinesiology
University of Saskatchewan
Saskatoon, SK

Keith Denford (1)
Faculty of Science
University of Regina
Regina, SK

Donald Hamilton (1)
Dept. of Veterinary Physiological Sciences
Western College of Veterinary Medicine
Saskatoon, SK

Martha Lyon (1)
Department of Pharmacology
College of Medicine
University of Saskatchewan
Saskatoon, SK

Vikram Misra (2)
Dept. of Veterinary Microbiology
Western College of Veterinary Medicine
Saskatoon, SK

Adil Nazarali (3)
College of Pharmacy and Nutrition
University of Saskatchewan
Saskatoon, SK

David Schreyer (2)
Cameco MS Neuroscience Research Unit
Dept. of Anatomy & Cell Biology
College of Medicine
University of Saskatchewan
Saskatoon, SK

Bruce Waygood (1)
Dept. of Biochemistry
College of Medicine
University of Saskatchewan
Saskatoon, SK

Figures in parentheses indicate number of years served, including current competition.

Research Funding Advisory Committee

Liz Harrison (Chair)
School of Physical Therapy
College of Medicine
University of Saskatchewan
Saskatoon, SK

Glen Beck
Dept. of Economics
College of Arts and Science
University of Saskatchewan
Saskatoon, SK

Keith Denford
Faculty of Science
University of Regina
Regina, SK

Dan de Vlieger
Dept. of Political Science
Faculty of Arts
University of Regina
Regina, SK

Thomas Hadjistavropoulos
Dept. of Psychology
Faculty of Arts
University of Regina
Regina, SK

Rod Kelln
Dept. of Chemistry
Faculty of Science
University of Regina
Regina, SK

Barry McLennan
College of Medicine
University of Saskatchewan
Saskatoon, SK

Paul Peloso
Division of
Rheumatology/Immunology
Dept. of Medicine
College of Medicine
University of Saskatchewan
Saskatoon, SK

Valerie Verge
Dept. of Anatomy and Cell Biology
College of Medicine
University of Saskatchewan
Saskatoon, SK

Susan Whiting
Division of Nutrition and Dietetics
College of Pharmacy and Nutrition
University of Saskatchewan
Saskatoon, SK

Appendix 4
Awards Granted
Competition 20 (1999-2000)

Research Fellowships

Fellow (Supervisor), Department, Faculty, Institution, *Project or field of research*

New two-year clinical research fellowship:

Elisabeth Schultke (Bernard Juurlink, Robert Griebel)
Anatomy & Cell Biology, Medicine, University of Saskatchewan
Iron chelation following spinal cord trauma to minimize damage

New two-year postdoctoral fellowships:

Olga Andrievskaya (Jeremy Lee)
Biochemistry, Medicine, University of Saskatchewan
Creation of dnase abzyme through syte-directed mutagenesis

Lalita Bharadwaj (Nick Ovsenek)
Anatomy & Cell Biology, Medicine, University of Saskatchewan
Heat shock factor 1 (HSF 1) activation in ischemia/reperfusion injury in cardiovascular tissue

Kun Cao (Rui Wang)
Physiology, Medicine, University of Saskatchewan
Regulation of the vascular effects of carbon monoxide by nitric oxide and the underlying mechanisms

Shu-Shen Cui (Xia Zhang)
Psychiatry, Medicine, University of Saskatchewan
Expression and role of nitric oxide synthases in CNS axonal regeneration

Omar Ghosheh (Edward Hawes)
Pharmacy & Nutrition, University of Saskatchewan
Structure-activity relationship investigations of the N+-glucuronidation of saturated cyclic aza heterocycles

Hong He (Rui Wang)
Physiology, Medicine, University of Saskatchewan
Kv channels in mesenteric artery smooth muscle cells from spontaneously hypertensive rats

Sandra Wright (Jerome Yager)
Pediatrics, Medicine, University of Saskatchewan
The effect of age on the susceptibility to hypoxic-ischemic brain damage: birth to adulthood

Renewals for a third year:

I. Johnny Xavier (Nick Ovsenek)
Anatomy & Cell Biology, Medicine, University of Saskatchewan
Functional role of glycogen synthases kinase-3b, mitogen activated protein kinase and protein kinase C on the regulation of HSF1

Biomedical Establishment Grants

Catherine Arnold	30,500	99-00
Physical Therapy, Medicine, University of Saskatchewan	30,500	00-01
Aquatic versus land exercise to reduce the risk of falling in sedentary women with osteoporosis		
Eleanor Fernandez	34,297	99-00
Oral Biology, Dentistry, University of Saskatchewan	31,242	00-01
It takes a village: positive cooperativity in streptococci adhesion to immobilized saliva		
Robert Lowsky	34,651	99-00
Oncology, Medicine, University of Saskatchewan	34,795	00-01
Abnormal DNA Methylation in human diffuse large B-cell lymphomas		
George Mutwiri	30,017	99-00
VIDO, University of Saskatchewan	29,333	00-01
Development of alginate microparticles as an effective oral delivery system for DNA and subunit vaccines for children		
Colin Rasmussen	34,000	99-00
Anatomy & Cell Biology, Medicine, University of Saskatchewan	35,000	00-01
Calmodulin dependent protein kinase cascades		

Gordon Sarty	34,918	99-00
Medical Imaging, Medicine, University of Saskatchewan	34,300	00-01
Spectroscopic magnetic resonance imaging via lissajous trajectories in k-space		
Baljit Singh	35,000	99-00
Veterinary Anatomy, WCVM, University of Saskatchewan	35,000	00-01
Mechanisms of recruitment and functions of pulmonary intravascular macrophages in sepsis-induced lung diesease		
Rui Wang	35,000	99-00
Physiology, Medicine, University of Saskatchewan	35,000	00-01
Voltage-dependent K+ channels in mesenteric artery smooth muscle cells from spontaneously hypertensive rats		
Xia Zhang	35,000	99-00
Psychiatry, Medicine, University of Saskatchewan	35,000	00-01
Alterations in NMDA receptor expression in the rat brain by D-serine, D-cycloserine and their addition to haloperidol		

Biomedical Equipment Grants

Eleanor Fernandez	30,000	99-00
Oral Biology, Dentistry, University of Saskatchewan		
Laminar flowhood/cabinet and ELISA/microtiter plate reader		
Robert Lowsky	25,844	99-00
Oncology, Medicine, University of Saskatchewan		
PCR system, mutational screening system, centrifuge		

Socio-Health Grants

Gordon Asmundson	31,047	99-00
Clinical Research and Development, Regina Health District	28,817	00-01
Cognitive content-specificity and selective attention in major depression disorder and panic disorder		
Ambikaipakan Senthilselvan	34,991	99-00
Community Health & Epi., Medicine, University of Saskatchewan	34,977	00-01
Prevalence, severity and treatment of asthma in Saskatchewan, 1989 to 1998		

Socio-Health Establishment Grants

Lorrie Sippola	26,992	99-00
Psychology, Arts & Science, University of Saskatchewan	26,566	00-01
Depression and development: understanding sex differences in emotional health during adolescence		

Conference Grants

James Dosman	5,000	99-00
Centre for Agricultural Medicine, Medicine, University of Saskatchewan		
Consortium for Rural Health		

Appendix 5
Report of Management

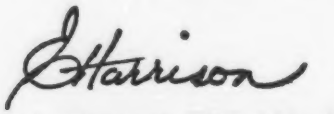
Management is responsible for the integrity of the financial information reported by the Health Services Utilization and Research Commission. Fulfilling this responsibility requires the preparation and presentation of financial statements and other financial information in accordance with generally accepted accounting principles which are consistently applied, with any exceptions specifically described in the financial statements.

The accounting system used by the Commission includes an appropriate system of internal controls to provide reasonable assurance that:

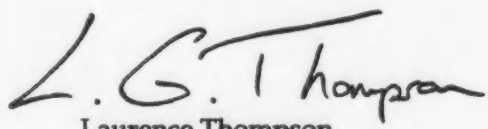
- transactions are authorized;
- the assets of the Commission are protected from loss and unauthorized use; and
- the accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information.

To ensure management meets its responsibilities for financial reporting and internal control, the members of the Commission discuss audit and financial reporting matters with representatives of management at regular meetings. The Commission members have also reviewed the financial statements with representatives of management.

The Provincial Auditor of Saskatchewan has audited the Commission's balance sheet and statements of revenue, expenditure and changes in fund balance and the statement of cash flows. His responsibility is to express an opinion on the fairness of management's financial statements. The Auditor's report outlines the scope of his audit and his opinion.



E. L. Harrison, PhD, MSc, BPT
Chair



Laurence Thompson
Chief Executive Officer

Saskatoon, Saskatchewan
August 25, 2000

Appendix 6
Financial Statements and Auditor's Report

Health Services Utilization
and Research Commission
For the year ended March 31, 2000

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the balance sheet of the Health Services Utilization and Research Commission as at March 31, 2000 and the statements of revenue, expenses and changes in fund balance and cash flows for the year then ended. The Commission's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Health Services Utilization and Research Commission as at March 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Regina, Saskatchewan
August 25, 2000

Fred Wendel, CMA, CA
Acting Provincial Auditor

HEALTH SERVICES UTILIZATION AND RESEARCH COMMISSION
BALANCE SHEET
As at March 31

	2000					1999
	Operating Fund	Regionalization Research Centre (Note 10)	SPHERU (Note 11)	Regional Partnership Program (Note 12)	Total	Total (Restated)
ASSETS						
Current assets:						
Cash	$ 115,019	$ 150	$ —	$ —	$ 115,169	$ 242,242
Accrued Interest receivable	14,349	—	—	—	14,349	10,781
Accounts receivable	43,564	12,655	—	—	56,219	108,428
Short-term investments (Note 2(e) and 4)	975,901	57,910	1,288,859	574,018	2,896,688	2,234,470
Prepaid expenses	3,620	—			3,620	18,586
	1,152,453	70,715	1,288,859	574,018	3,086,045	2,614,507
Long-term investments (Note 2(e) and 4)	4,112,070	—	—	—	4,112,070	3,231,791
Capital assets (Note 2(c) and 6)	90,456	11,053	—	—	101,509	112,817
Total assets	$5,354,979	$ 81,768	$ 1,288,859	$ 574,018	$ 7,299,624	$ 5,959,115
LIABILITIES & FUND BALANCE						
Liabilities:						
Accounts payable	$ 38,658	$ 5,708	$ —	$ —	$ 44,366	$ 29,906
Payroll liabilities	—	—	—	—	—	11,242
Grants payable	725,201	—	—	—	725,201	416,538
Deferred Revenue	—	—	—	—	—	6,666
Total liabilities	763,859	5,708	—	—	769,567	464,352
Fund balances:						
Externally restricted	—	76,060	538,859	474,018	1,088,937	1,116,874
Internally restricted	13,050	—	750,000	100,000	863,050	8,890
Unrestricted	4,578,070	—	—	—	4,578,070	4,368,999
Fund balances (Statement 2)	4,591,120	76,060	1,288,859	574,018	6,530,057	5,494,763
Total liabilities & fund balance	$5,354,979	$ 81,768	$ 1,288,859	$ 574,018	$ 7,299,624	$ 5,959,115

(See accompanying notes to the financial statements)

HEALTH SERVICES UTILIZATION AND RESEARCH COMMISSION
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE
Year Ended March 31

	2000						1999
	Operating Fund		Regionalization Research Centre	SPHERU	Regional Partnership Program	Total	Total
	Budget (Note 9)	Actual	(Note 10)	(Note 11)	(Note 12)		(Restated)
Revenue:							
Saskatchewan Health							
General Revenue Fund	$ 2,308,000	$ 2,308,000	$ —	$ 250,000	$ 400,000	$ 2,958,000	$ 2,358,000
SK Economic Co-operative Development	—	—	—	—	250,000	250,000	—
Federal Government							
Medical Research Council of Canada	—	65,192	—	—	—	65,192	41,576
Health Transition Fund	—	43,460	—	—	—	43,460	227,520
HealNet Research Project	—	—	122,037	—	—	122,037	245,000
CHSRF(Note 10(b))	—	—	18,000	—	—	18,000	—
Recoveries	—	14,114	—	—	—	14,114	55,390
Interest	325,000	384,550	—	—	—	384,550	351,786
Miscellaneous	10,000	15,758	850	—	—	16,608	25,759
Total revenue	2,643,000	2,831,074	140,887	250,000	650,000	3,871,961	3,305,031
Expenses:							
Student grants	—	—	8,925	—	—	8,925	—
Research grants	1,519,000	1,220,565	—	180,000	175,982	1,576,547	1,291,074
Wages and benefits	619,416	759,693	143,969	—	—	903,662	865,853
Administrative and operating expenses	184,298	196,361	44,748	5,752	—	246,861	409,652
Honoraria and expenses of the board and committees	25,400	30,478	—	—	—	30,478	28,022
Amortization expense	—	29,496	5,897	—	—	35,393	35,686
Rent	—	27,850	3,330	—	—	31,180	31,658
Loss on disposal of capital assets	—	3,400	221	—	—	3,621	1,613
Total expenses	2,348,114	2,267,843	207,090	185,752	175,982	2,836,667	2,663,558
Excess of revenue over expenses	$ 294,886	563,231	(66,203)	64,248	474,018	1,035,294	641,473
Fund balance, beginning of year		4,377,889	142,263	974,611	—	5,494,763	4,853,290
Transfer between funds (Note 11 and 12)		(350,000)	—	250,000	100,000	—	—
Fund balance, end of year (Statement 1)		$ 4,591,120	$ 76,060	$ 1,288,859	$ 574,018	$ 6,530,057	$ 5,494,763

(See accompanying notes to the financial statements)

HEALTH SERVICES UTILIZATION AND RESEARCH COMMISSION
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	Operating Fund	Regionalization Research Centre (Note 10)	SPHERU (Note 11)	Regional Partnership Program (Note 12)	Total 2000	Total 1999 (Restated)
Cash provided by (used in):						
Operating activities:						
Excess of revenue over expenses (Statement 2)	$ 563,231	$ (66,203)	$ 64,248	$ 474,018	$ 1,035,294	$ 641,473
Non-cash expenses:						
Amortization expense	29,496	5,897	—	—	35,393	35,686
Loss on disposal of capital assets	3,400	221	—	—	3,621	1,613
Net Changes in non-cash working capital (Note 5)	367,679	1,144	—	—	368,823	(46,850)
	963,806	(58,941)	64,248	474,018	1,443,131	631,922
Investment activities:						
Decrease(Increase) in short-term investments	162,575	63,473	(314,248)	(574,018)	(662,218)	(344,877)
Decrease (increase) in long-term investments	(880,279)	—	—	—	(880,279)	35,336
Purchases cf capital assets	(23,175)	(4,532)	—	—	(27,707)	(8,751)
Proceeds from disposal of capital assets	—	—	—	—	—	107
	(740,879)	58,941	(314,248)	(574,018)	(1,570,204)	(318,185)
Net increase (decrease) in cash	222,927	—	(250,000)	(100,000)	(127,073)	313,737
Cash, beginning of year	242,092	150	—	—	242,242	(71,495)
Transfers between funds (Note 11 and 12)	(350,000)	—	250,000	100,000	—	—
Cash, end of year	$ 115,019	$ 150	$ —	$ —	$ 115,169	$ 242,242

(See accompanying notes to the financial statements)

HEALTH SERVICES UTILIZATION AND RESEARCH COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2000

1. Establishment of the Commission

Order in Council 165/92 established the Health Services Utilization and Research Commission as a Crown corporation on February 20, 1992. The Commission has been continued pursuant to *The Health Services Utilization and Research Commission Act*. The Commission reviews, analyzes and makes recommendations as to the most effective utilization of health services in Saskatchewan and provides research funding.

2. Accounting Policies

The Health Services Utilization and Research Commission maintains its accounts using generally accepted accounting principles including the following significant accounting policies:

a) Fund Accounting

The accounts of the Commission are maintained in accordance with the principles of restricted fund accounting for contributions. For financial reporting purposes, accounts with similar characteristics have been combined into the following funds:

i) Operating Fund

The operating fund reflects the primary operations of the Board including Saskatchewan Health - General Revenue Fund revenues received to provide research funding to various researchers and to conduct in-house utilization research. Other revenue consists of Federal Government grants not restricted to HealNet Research Project, recoveries, interest and miscellaneous revenue. Expenses consist of the research grants awarded, cost of in-house utilization research and administrative costs.

ii) Restricted Fund – Regionalization Research Centre

The Regionalization Research Centre Fund reflects revenue received from the Networks of Centres of Excellence Program (Federal Government) and the Canadian Health Services Research Foundation (CHSRF). Expenses consist of costs of in-house and contract research staff and administrative costs. This fund was previously referred to as the HEALNet Research Project Fund.

iii) Restricted Fund – Saskatchewan Population Health and Evaluation Research Unit (SPHERU).

The SPHERU Fund reflects transfers from the Health Services Utilization and Research Commission, and revenue from Saskatchewan Health – General Revenue Fund for the Unit. Expenses consist of rent, board expenses and administrative costs.

iv) Restricted Fund – Saskatchewan – Medical Research Council Regional Partnership Program (RPP).

The RPP Fund reflects transfers from the Health Services Utilization and Research Commission, and revenue from Saskatchewan Health – General Revenue Fund & Saskatchewan Economic Co-operative Development. Expenses consist of research grants.

b) Research Grants

Annual Competitions

The Health Services Utilization and Research Commission holds annual competitions through which funds are awarded to successful applicants for terms of up to two years. The Commission expenses the approved funds for each year of the grant, provided recipients meet eligibility criteria. Awarded amounts not paid or payable at year-end are recorded as commitments in the notes to the financial statements.

The balance of funds advanced to administering institutions in excess of the current requirements of researchers is held in trust by those institutions until drawn down by the researchers. Funds not spent during the life of a successfully completed research grant are treated as a recovery in the year that this is determined. These funds are then available to be awarded for future research.

c) Capital Assets

Capital assets are recorded at cost. Normal maintenance and repairs are expensed as incurred. Capital assets are amortized on a straight-line basis over their estimated useful lives (3 to 10 years).

d) Revenue

Unrestricted contributions are recognized as revenue in the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

e) Investments

Investments are valued at the lower of amortized cost or net realizable value.

3. Change in Accounting Policy

Effective April 1, 1999, the Commission changed its accounting policy for research grants. The Commission expenses the approved funds for each year of the grant, provided recipients meet eligibility criteria. Awarded amounts not paid or payable at year-end are recorded as commitments. Previously, the total research grant for a recipient was expensed in the year when the Commission made the award. Amounts unpaid at year-end were recorded as liabilities.

This change in accounting policy has been applied retroactively and the 1999 financial statements have been restated. The effect of this accounting policy change is that liabilities decreased by $1.16 million (1999- decreased by $1.24 million), revenues decreased by $205,014 (1999- decreased by $17,633), expenses decreased by $123,798 (1999- decreased by $67,046) and excess of revenues over expenses decreased by $81,216 (1999- increased by $49,413).

4. Investments

	2000		1999	
	Carrying Value	Effective Rate	Carrying Value	Effective Rate
Short-term investments	$ 2,896,688		$ 2,234,470	4.7-7.6%
Long-term investments:				
CIBC Strip Bonds, mature in 3 years	603,483	6.3%	567,362	6.3%
Province of Saskatchewan Strip Bonds, mature in 18 months	273,404	6.0%	963,467	6.0 - 8.7%
Province of British Columbia Strip Bonds, mature in 4-5 years	1,275,844	6.1 – 6.5%	1,195,878	6.1-6.5%
Province of Ontario Bond, matures in 5 years	603,633	6.6%	—	—
Ontario Hydro Strip Bond, matured	—	—	276,884	8.2%
Government of Canada Strip bond, matures in 14 months	514,115	5.3%	—	—
Farm Credit Corporation Bond matures in 19 months	513,391	5.5%	—	—

	2000		1999	
	Carrying Value	Effective Rate	Carrying Value	Effective Rate
Province of Saskatchewan Savings Bond, matures in 4-5 years	328,200	5.0%	228,200	5.0%
	4,112,070		3,231,791	
	$ 7,008,758		$ 5,466,260	

5. Changes in Components of Non-Cash Working Capital

	Operating Fund	Regionalization Research Centre	Total 2000	Total 1999 (restated)
(Increase) decrease in accrued interest receivable	$ (3,568)	$ —	$ (3,568)	$ 37,907
Decrease (increase) in accounts receivable	53,264	(1,055)	52,209	(58,503)
Decrease (increase) in prepaid expenses	14,202	764	14,966	(17,826)
Increase (decrease) in accounts payable	11,491	2,970	14,461	(66,732)
(Decrease) increase in payroll liabilities	(9,707)	(1,535)	(11,242)	11,242
Increase in grants payable	308,663	—	308,663	40,396
(Decrease) increase in deferred revenue	(6,666)	—	(6,666)	6,666
Net changes in non-cash working capital	$ 367,679	$ 1,144	$ 368,823	$ (46,850)

6. Capital Assets

	2000			1999
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture & Equipment	$ 241,865	$ 140,356	$ 101,509	$ 112,817

7. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown Corporations, departments, agencies, boards and commissions related to the Commission by virtue of common control by the Government of Saskatchewan, and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as "related parties").

Routine operating transactions with related parties are recorded at the standard rates charged by those organizations and are settled on normal trade terms. These transactions, and amounts outstanding at year end are as follows:

	2000	1999 (restated)
Research grant, administrative and occupancy expenses:		
Regina District Health Board	$ 31,047	$ —
University of Regina	107,631	92,071
University of Saskatchewan	1,466,243	1,189,017
Saskatoon District Health Board	65,922	82,965
Moose Jaw-Thunder Creek Health District	—	499
Saskatchewan Health	115	31,181
Prince Albert Health District	1,700	10,239
Capital Pension Plan - employee benefits	37,876	22,495
Accounts payable	31,864	18,122
Grants payable	725,201	416,538

The Commission pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements and the notes thereto.

8. Financial Instruments

The Commission has the following financial instruments: accrued interest receivable, accounts receivable, investments, accounts payable, and grants payable. The following paragraphs disclose the significant aspects of these financial instruments.

a) Significant terms and conditions

There are no significant terms and conditions associated with the financial instruments, other than investments, that may affect the amount, timing, and certainty of future cash flows. Significant terms and conditions for investments are described separately in these financial statements and the notes thereto.

b) Interest rate risk

The Commission is exposed to interest rate risk when the value of its financial instruments fluctuate due to changes in market interest rates.

The Commission's receivables and payables are non-interest bearing. Due to the short-term nature of these, as well as cash and short-term investments, interest rate risk is minimal.

As market interest rates fluctuate the market value of long-term investments moves in the opposite direction. This risk will affect the price the Commission could sell the investments for prior to maturity.

c) Credit risk

The Commission is exposed to credit risk from potential non-payment of accounts receivable or investment income and principal.

Most of the Commission's receivables are from provincial and federal governments, therefore the credit risk is minimal.

The Commission's investments consist of provincial and federal government bonds, promissory notes, treasury bills and bankers acceptances with large Canadian banks. Therefore, credit risk for investments and related accrued interest receivable is minimal.

d) Fair Value

For the following financial instruments, the carrying amounts approximate fair value due to their immediate or short-term nature:

Accrued interest receivable
Accounts receivable
Short-term investments
Accounts payable
Payroll liabilities
Grants payable

The fair value of long-term investments is $ 4,112,070 (1999 - $3,570,077). The fair value is considered to approximate quoted market values.

9. Budget

These amounts represent the operating budget approved by the Board on June 14,1999.

10. Regionalization Research Centre

a) Networks of Centres of Excellence Program (NCE) - HEALNet Research Project

Previous agreement: September 1995 to June 30, 1999

In September 1995, the Commission was awarded approximately $1 million from the Federal Government as a participant in a NCE Competition. The money is to be received over 3 ½ years and is restricted for research in the area of health evidence-based information and decision tools. The restricted contributions are recognized as revenue of the Regionalization Research Centre funds when received or receivable.

The allocation for 1998/1999 was $245,000, which included the final payment for the project under the first multi-year agreement.

In 1998/1999, the Commission spent $277,674 (from NCE funds which included the $245,000 allocation plus amounts carried over from previous years).

Current agreement: July 1, 1999 to June 30, 2002

Beginning July 1, 1999, HEALNet was renewed for another 3 years. The Commission received an allocation of $157,800 for use in the 1999/2000 year. In addition, the Commission was allowed to retain a portion of the unused funding from previous years and returned $35,763 to the NCE, resulting in revenue of $122,037.

The Commission spent $207,090 during the 1999/2000 year. The Commission was allowed to retain a portion of the unused funding for use in the 2000/2001 year and will be returning $21,943 to the NCE.

b) Canadian Health Services Research Foundation (CHSRF)

In 1999/2000, the Commission received for the Regionalization Research Centre, a grant from the Canadian Health Services Research Foundation. The two year grant is $20,000, for the period November 1, 1999 to October 31, 2001. In 1999/2000, $18,000 was received and $4,385 spent.

11. Saskatchewan Population Health Evaluation and Research Unit (SPHERU)

On July 9, 1999, the Saskatchewan Population Health and Evaluation Research Unit, Inc. (SPHERU) was incorporated as a separate entity under *The Non-Profit Corporations Act, 1995*. This corporation focuses on enhancing health and social planning, evaluating health system changes, improving health information use for planning and evaluation and health policy development.

The corporation is funded by Saskatchewan Health and HSURC which provided $250,000 each during the year. HSURC administers the funds for the corporation and distributed $180,000 to SPHERU, Inc. during the year. The Commission spent $5,752 (1999 - $11,527) on expenses related to SPHERU, before its incorporation. Unused funding is retained for use in the 2000/01 year.

12. Saskatchewan - Medical Research Council Regional Partnership Program

The program was set up in 1999/2000 to provide funding support for Saskatchewan researchers and research projects. During the year, the program received funding from Saskatchewan Health, Saskatchewan Economic and Co-operative Development and HSURC, which provided $400,000, $250,000 and $100,000 respectively. HSURC agreed to manage the funds for the program, in a signed agreement with Saskatchewan Economic and Co-operative Development.

13. Commitments

At March 31, 2000, the Commission had the following commitments:

a) Research Grants

The Board has approved research grants for payment in 2000/2001 of $851,360 in 2001/2002 of $278,042; and in 2002/2003 of $27,487.

b) SPHERU

Under a memorandum of understanding, signed October 31, 1999, HSURC will pay SPHERU $250,000 per year for the next seven years.

14. Comparative Figures

Certain 1998-99 balances have been restated to conform with the current year's presentation.

HEALTH SERVICES UTILIZATION AND RESEARCH COMMISSION

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PAYEE LIST

FISCAL YEAR APRIL 1, 1999 - MARCH 31, 2000

Personal Services

Listed are individuals who received payments for salaries, wages, honoraria, etc. which total $2,500 or more.

Barry, Joanne	$11,438
Basky, Greg	53,149
Bingham, Maureen	24,186
Bold, June	66,768
Brossart, Bonnie	28,397
Chessie, Kelly	39,786
Crockford, Barb	24,548
Ferguson, Dianne	27,500
Foreman, Jeanette	9,974
Gander, Laura	20,731
Hader, Joanne	43,402
Hanson, Lori	8,556
Kouri, Denise	51,000
Lee, Lynda	21,472
Lewis, Steven	36,303
Liu, Liyan	41,414
MacDonald, Heather	20,731
Mathews, Maria	25,408
Nisbet, Barb	34,168
Thompson, Laurie	81,608
Wailing, Sherry	22,868
White, Robin	18,702
Ziegler, Valerie	23,223
Payees under $2,500	12,225
	$745,557

Travel

All	$ 60,571

Transfers

Listed by program, are transfers for $5,000 or more, that are committed to institutions to administer HSURC grants.

Fellowships (Postdoctoral and Clinical Research)

• University of Regina	$ 2,633
• University of Saskatchewan	417,129
	$419,762

Biomedical Establishment and Equipment Grants

• University of Saskatchewan	$548,408

Socio-Health Research and Development Grants

• Regina Health District	$ 31,047
• University of Regina	34,998
• University of Saskatchewan	181,350
	$247,395

Conference Grants

• University of Saskatchewan	$ 5,000

SPHERU Grants

• University of Regina	$ 70,000
• University of Saskatchewan	110,000
	$180,000

RPP Grants

• University of Saskatchewan	$ 175,982

Supplier Payments

Listed are payees who received $20,000 or more for the provision of goods and services, including office supplies, communications, contracts, and equipment.

Capital Pension Plan	$ 37,876
Houghton Boston	21,669
Receiver General for Canada	41,396
Saskatoon District Health	65,922
University of Saskatchewan	28,374
Payees under $20,000	258,755
	$453,992